REMARKS

This Amendment is responsive to the Office Action identified above, and is further responsive in any other manner indicated below.

REPLACEMENT TITLE

The title has been objected to because of the Office Action concerns listed on page 2, of the Office Action, *i.e.*, as not being sufficiently descriptive. The title has been amended in accordance with the Examiner's suggestion. The replacement title is believed to be sufficiently descriptive of the invention to which the claims are directed. In the event that the present replacement title is itself found not to be sufficiently descriptive, the Examiner is herein authorized to amend to a suitable replacement title.

PENDING CLAIMS

Claims 1-18 were pending, under consideration and subject to examination in the Office Action. Appropriate claims have been amended, canceled and/or added (without prejudice or disclaimer) in order to adjust a clarity and/or focus of Applicant's claimed invention. That is, such changes are unrelated to any prior art or scope adjustment and are simply refocused claims in which Applicant is present interested. At entry of this paper, Claims 1-18 will be pending for further consideration and examination in the application.

REJECTION UNDER 35 USC '103

All 35 USC '103 rejections are respectfully traversed. However, such rejections have been rendered obsolete by the present clarifying amendments to Applicant's claims, and accordingly, traversal arguments are not appropriate at this time. However, Applicant respectfully submits the following to preclude renewal of any such rejections against Applicant's clarified claims.

All descriptions of Applicant's disclosed and claimed invention, and all descriptions and rebuttal arguments regarding the applied prior art, as previously submitted by Applicant in any form, are repeated and incorporated hereat by reference. Further, all Office Action statements regarding the prior art rejections are respectfully traversed. As additional arguments, Applicant respectfully submits the following remarks from Applicant's foreign representative in support of traversal of the rejection and patentability of Applicant's clarified claims.

In the present invention, there are two key information generation units which generate two (first and second) key information, and a master key generation unit which generates a key by receiving both of the first and second key information.

Namely the key is generated with the two key information; with the first key information being apparatus specific key information, and the second key information being another (e.g., non-apparatus-specific) key information. Further, for enhanced security purposes (i.e., to thwart unauthorized decrypting), the first key information is not recorded onto the medium, i.e., just the second key information is recorded. (See Fig. 8 and corresponding description in the specification.)

It is possible to realize high security by using the first and the second key information for encrypting, and then recording just the second key information onto

the medium, because it makes difficult to infer the missing apparatus-specific key from the recorded information, as the first key information is not recorded onto the medium.

There is no description of such feature of the present invention in cited references Ibaraki and Kulinets. In these references, only one key information (i.e., somewhat analogous to Applicant's second key information) is described, and thus it is difficult to realize high security as the present invention because of lack of the first key information.

As a result of all of the foregoing, it is respectfully submitted that the applied art (taken alone and in the Office Action combinations) would not support a '103 obviousness-type rejection of Applicant's claims. Accordingly, reconsideration and withdrawal of such '103 rejection, and express written allowance of all of the '103 rejected claims, are respectfully requested.

EXAMINER INVITED TO TELEPHONE

The Examiner is herein invited to telephone the undersigned attorneys at the local Washington, D.C. area telephone number of 703/312-6600 for discussing any Examiner's Amendments or other suggested actions for accelerating prosecution and moving the present application to allowance.

RESERVATION OF RIGHTS

It is respectfully submitted that any and all claim amendments and/or cancellations submitted within this paper and throughout prosecution of the present application are without prejudice or disclaimer. That is, any above statements, or

any present amendment or cancellation of claims (all made without prejudice or disclaimer), should not be taken as an indication or admission that any objection/rejection was valid, or as a disclaimer of any scope or subject matter. Applicant respectfully reserves all rights to file subsequent related application(s) (including reissue applications) directed to any/all previously claimed limitations/features which have been subsequently amended or cancelled, or to any/all limitations/features not yet claimed, i.e., Applicant continues (indefinitely) to maintain no intention or desire to dedicate or surrender any limitations/features of subject matter of the present application to the public.

CONCLUSION

In view of the foregoing amendments and remarks, Applicant respectfully submits that the claims listed above as presently being under consideration in the application are now in condition for allowance.

To the extent necessary, Applicant petitions for an extension of time under 37 CFR 1.136. Authorization is herein given to charge any shortage in the fees, including extension of time fees and excess claim fees, to Deposit Account No. 01-2135 (Case No. 501.40474X00) and please credit any excess fees to such deposit account.

Based upon all of the foregoing, allowance of all presently-pending claims is respectfully requested.

Respectfully submitted,

ANTONELLI, TERRY, STOUT & KRAUS, LLP

Paul J. Skwierawski Registration No. 32,173

Can't Showward

PJS/slk (703) 312-6600